

CIACO

NID 81 [REDACTED]

June 27, 1981

POLAND: Political Developments

Hardline Politburo member Zabinski has been reelected as party leader in Katowice, a development that virtually assures his selection as a delegate to the party congress. [REDACTED]

Party chief Kania helped secure Zabinski's election by endorsing him during a personal appearance at the election conference. Kania's support of Zabinski--whom many Poles consider one of the party leader's main critics--seems a gesture at reconciliation and an effort to reassure Moscow. His action, however, may cost him some support from party liberals. [REDACTED]

Meanwhile, both the regime and Solidarity continue to respond to the concerns raised by the Soviets in their recent letter to the Polish Central Committee. The government, according to a source in Solidarity, has fired more than 350 policemen for trying to organize their own union. Solidarity is unlikely to protest the action--at least for now--because it realizes the sensitivity of the issue to the Soviets. [REDACTED]

Solidarity is making an effort to rein in some of its most outspoken newspapers, including those that have had close ties with dissidents. Union leader Walesa and others continue to urge moderation and cooperation with the government despite their unhappiness over its proposed laws on censorship, trade unions, and enterprise management. [REDACTED]

The leaders of the dissident Committee for Social Self Defense are seriously considering the formal dissolution of their organization before the party congress. They believe that such an action would deny Moscow one of its favorite propaganda targets. The move would be little more than a symbolic gesture, however, because the dissidents plan to maintain close ties with Solidarity on an individual basis. [REDACTED]

Debt Rescheduling

Western bankers meeting in Paris on Wednesday and Thursday acceded to the desire of US banks to delay until the end of the year agreement to reschedule

Approved for Release
Date AUG 1999

CIACO

NID 81 [REDACTED]

June 27, 1981

[REDACTED]

Poland's debt repayments for 1981. European banks had been anxious to sign an agreement. The banks now have more time to obtain more data from the Poles, to continue negotiations on the terms of the rescheduling, and to see how the Polish political situation develops before committing to a seven-year rescheduling. [REDACTED]

[REDACTED]